

Sales to exempt organizations of tangible personal property required to be registered with an agency of this State may be made tax exempt even if a member of the organization is listed along with the exempt organization on the application for title. See 86 Ill. Adm. Code 130.2005 and 130.2007. This letter rescinds General Information Letter ST 96-0040. (This is a GIL.)

November 15, 2000

Dear Xxxxx:

This letter rescinds our response of January 29, 1996 (General Information Letter ST 96-0040, copy enclosed) to your letter of October 16, 1995.

In your letter, you stated and made inquiry as follows:

Please send me a copy of the statute, rule, or regulation stating that an auto titled in the name of the exempt organization and its officers is not exempt from sales tax.

Organizations that make application to the Department and are determined to be exclusively religious, educational, or charitable, receive an exemption identification number (an "E" number). This number evidences that this State recognizes that the organization qualifies as exempt from incurring Use Tax when purchasing tangible personal property in furtherance of its organizational purpose. Only sales to the organization holding the E number are exempt, not sales to individual members of the organization. See 86 Ill. Adm. Code 130.2005 and 130.2007.

However, some clarification is in order with regard to sales to exempt organizations of tangible personal property that is required to be registered with an agency of this State. Sales to exempt organizations of tangible personal property required to be registered with an agency of this State may be made tax exempt even if a member of the organization is listed along with the exempt organization on the application for title. This is the case as long as the exempt organization is the purchaser of the item, the purchase is made in furtherance of the exempt organization's purchase, and the name of the exempt organization is listed on the application for title. An example of this would be a church that purchases a car to be used in furtherance of the church's purposes. As long as the exempt organization is the purchaser of the car, the purchase is made in furtherance of the church's purposes, and the church's name is listed on the application for title, the sale will be tax exempt even though the minister is listed along with the exempt organization on the application for title.

I hope this information is helpful. If you have questions regarding this letter, please feel free to contact our office.

Very truly yours,

Martha P. Mote
Associate Counsel

MPM:msk
Enc.